

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

September 21, 2009

TO: Internal File

THRU: Priscilla Burton, Lead *PWB by SAS*
James D. Smith, Permit Supervisor *JDS 09/22/09*

FROM: April Abate, Environmental Scientist II *Qaa 9-21-2009*

RE: Reduce Water Monitoring Requirements, Canyon Fuel Company, Skyline Mine, C007/0005, Task #3404

SUMMARY:

On August 19, 2009, the Division of Oil, Gas and Mining (the Division) rejected an amendment to reduce and /or omit several water monitoring locations from the current water monitoring plan for the Skyline Mine based on the deficiencies outlined below. The Permittee submitted a response to the first and third deficiency in a letter dated September 10, 2009. The Permittee contested the second deficiency (the outcome is summarized after the deficiency).

[R645-301.722.300]: All sample locations proposed for removal should still be depicted on the maps such that they can be identified for historical purposes. The locations should be denoted on Drawings 2.3.6-1 and 6-2 as inactive sampling stations. Please resubmit Drawings 2.3.6-1 and 6-2.

Permittee Response: The Permittee resubmitted Drawings 2.3.6-1 and 2.3.6-2 showing both the active and discontinued hydrologic monitoring stations both within and adjacent to their permit area. Based on a verbal conversation with Greg Galecki, the Permittee representative, NL-13 is to remain a sampling point to represent the upgradient stream sample for the 2 Left Panel on the North Lease section. The original amendment proposed to eliminate this sample location.

R645.301-731.214.1 and 731.224] and Technical Directive 004: The proposed changes to the water monitoring plan do not demonstrate any additional disturbance to the hydrologic balance of the coal mining operation within or outside of the permit area. The proposed modifications of the water monitoring requirements have been thoroughly reviewed based on the criteria outlined in the regulations and in the Division of Oil, Gas and Mining (the Division)

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Technical Directive 004 and are not considered to compromise the water quantity and quality to support the approved post-mining land use.

In accordance with the regulations and Technical Directive 004, protection and replacement of the water rights of other users must be considered. Therefore, if any of the sampling locations proposed for modification in this application are included in a water right, the surface landowner or water right owner, must be given notification of the change and given an opportunity to respond. Please provide the Division with confirmation that the Permittee provided notification to a landowner/water right user (where applicable) and that they were given adequate time to respond to the notice.

Outcome: The Permittee contended that notifying the water right stakeholders regarding reductions in water sampling was not a requirement of the Utah Coal Rules (although it is explicitly stated in the Utah Division of Oil, Gas, and Mining Technical Directive 004). UDOGM's current position is that water rights stakeholders are to be notified. The Division, not the Permittee will solicit the notification to the water right stakeholder(s) and no comment period will be established. The result for this deficiency is that no further action is required on the part of the Permittee.

[R645.301-765]: Well 99-28-1 has been approved for removal from the water monitoring plan. This regulation states that all wells when no longer needed for monitoring or any other approved use, or unless approved for a transfer as a water well, the well is required to be permanently sealed. The Permittee must provide either a commitment that the well will be permanently sealed, or notification of any alternative future plans for this well to the Division.

Permittee Response: The Permittee provided a reference in their cover letter dated September 10, 2009 that indicates Well #99-28-1 will be abandoned in accordance with the methodology outlined in Section 2.2.11 of the current Mining and Reclamation Plan (MRP).

RECOMMENDATIONS:

The amendment should be approved based on the criteria outlined above.